American Hawaii Cruises' S.S. Independence dry docks a Pearl

Story provided by Shipyard Repair Assocaition of Hawaii

N January 5, 2000, in a historic, cooperative agreement between American Hawaii Cruise, Honolulu Shipyard, Inc. and Pearl Harbor Naval Shipyard & Intermediate Maintenance Facility, one of the U.S. Navy's dry-docks will be used to lift the interisland cruise ship, S.S. Independence, out of the water for inspection and repairs. It is the first time that a regularly scheduled dry docking of a commercial vessel has been done at Pearl Harbor's Navy complex. In 1985, the S.S. Constitution was docked there for emergency repairs.

The docking is a win-win-win for American Hawaii Cruises, the U.S. Navy, and the State of Hawaii. A local docking means that the Independence can be put back into service 10 days sooner than having it transit to the West Coast for repairs. The U.S. Navy will benefit by leasing the dock, which would otherwise have been idle for that period of time. And local workers will benefit from the extra work afforded by the project. Previously, the vessel went to Cascade General of Portland, Oregon for its regularly scheduled docking.

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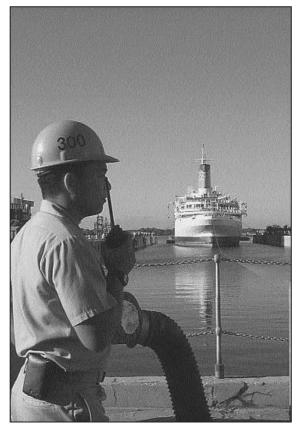
The effort to secure the use of Navy facilities for commercial ship repair began two years ago following

a major cut-back in Navy contracts given to Hawaii's private sector, ship repair industry. The reduction in the Navy's ship repair work-load occurred as the number of ships ported in Hawaii was reduced because of the Navy's downsizing plans. In November, 1997 Hawaii's Ship Repair Association was formed with the mission of re-establishing the Navy business. "A healthy, local ship repair industry is vital to both the U.S. Navy and Hawaii's commercial vessel owners and operators," said John Ball, the Association's President, and CEO of Honolulu Shipyard. "The Navy responded with exceptional support and coopera-tion. Funds for all ship repair work is determined by the federal defense budget. There was little we could do in the short-run to impact that. So, in meetings with Commander in Chief Pacific Fleet and PHNSY&IMF officials, we hit on the idea of leasing excess Navy facilities to repair commercial vessels.'

The S.S. Independence project will employ about 700 hundred Hawaii workers at 26 local businesses and, hopefully, establish the precedent for future, private use of facilities at Pearl Harbor Naval Shipyard. "We hope that other commercial vessels which are too large for privatelyowned dry-docks, will soon be making 'pit stops' in Hawaii." Ball said.

The S.S. Independence is

The S.S. Independence is owned and operated by American Classic Voyages.



Pearl Harbor Naval Shipyard photo

Lt. San Jose T. Antonio of the Pearl Harbor Naval Shipyard observes as the S.S. Independence makes her way into drydock 4. The drydock was leased to Amercian Hawaii Cruise to be able to perform inspections and repairs locally.

Further information regarding American Classic Voyages is available at the following Web site: www.amcv.com

Honolulu Shipyard, Inc. is

engaged in ship repair, conversion, construction. HSI. is a subsidiary of Hawaii based, Pacific Marine & Supply Co., Ltd.